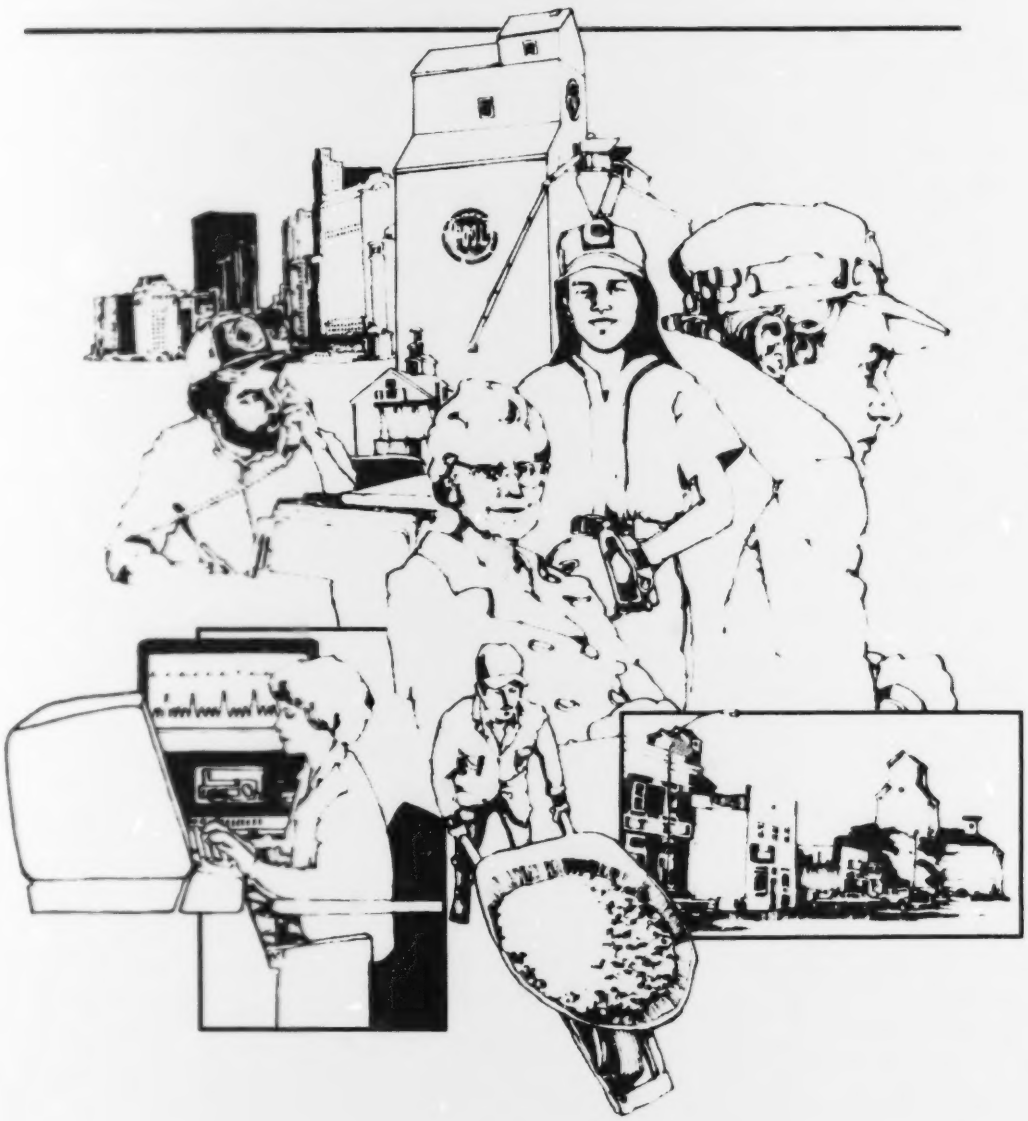
Honourable Vic Schroeder
Minister of Finance

MANITOBA'S CAPITAL PROJECT PROPOSALS TO THE GOVERNMENT OF CANADA



Honourable Vic Schroeder
Minister of Finance
Government of Manitoba

MAJOR CAPITAL INVESTMENT INITIATIVES: NEED FOR FEDERAL LEADERSHIP

Notes for a Submission to Honourable Marc Lalonde Minister of Finance, Government of Canada

Ottawa, February 4, 1983

THE ROLE OF CAPITAL PROJECTS IN NATIONAL ECONOMIC RECOVERY

Manitoba welcomes the federal government's interest in proposals for major capital spending in order to preserve jobs, stimulate employment in the short term, improve prospects for an early recovery and improve the longer term productive capacity of the economy.

As indicated at the December Finance Ministers' Conference, Manitoba is of the strong view that:

> "... it is essential that we recognize the tremendous potential to use currently unemployed capacity, both capital and labour, to put into place now the transportation networks, the public infrastructure, the housing, the hydro transmission lines, the resource development work required to meet the needs of the future."
>
> "The advantages of undertaking such projects now include the provision of jobs to those who want work and not unemployment insurance or welfare, the provision of needed stimulus to domestic markets now and the rebuilding of consumer and investor confidence now. By the same token, immediate commencement of such projects means that they can largely be in place or complete when the economy resumes strong growth."

Accordingly, we are encouraged by the general recognition among Finance Ministers of the importance of capital spending in alleviating the current unemployment crisis. We are particularly pleased with the federal interest in pursuing a cooperative national program of investment initiatives.

FEDERAL INVESTMENT POLICIES — RECENT MANITOBA EXPERIENCE

The federal government, of course, has a strong commitment to alleviating regional disparities throughout Canada which complements the national commitment to equalization. It is therefore important that federal policy continue to be sensitive to the needs of the various regions.

Tested against this principle, information on the pattern of federal investment spending in recent years suggests that less than adequate attention has been paid to the regional dimensions of federal policies, particularly in the Manitoba context.

Federal new capital investment in Manitoba (including expenditures of government departments, enterprises and for institutions and housing) has declined as a proportion of total federal expenditures across the country, from a range of 5.5% to 5.8% from 1976 to 1979 to 5.0% in 1980 and 1981 and to a projected 4.2% for 1982. These reductions in shares culminated in 1982 with a 0.5% decline in the level of federal investment spending in Manitoba compared with an 18.8% increase for Canada as a whole.

Federal Government Investment
(New Capital Expenditures)

	In Manitoba		In Canada		Share in Manitoba
	$ millions (% change)				%
1976	119.5		2,130.6		5.6
1977	124.0	(3.8)	2,132.4	(0.1)	5.8
1978	119.7	(-3.5)	2,164.7	(1.5)	5.5
1979	130.5	(9.0)	2,260.4	(4.4)	5.8
1980	136.7	(4.8)	2,760.1	(22.1)	5.0
1981*	182.6	(33.6)	3,657.9	(32.5)	5.0
1982+	181.7	(-0.5)	4,344.6	(18.8)	4.2

**1981 preliminary actual*
+1982 revised intentions

SOURCE: Statistics Canada, unpublished data.

The reduction in federal investment spending in the province amounted to some $64 million in 1982 compared with the province's share in the 1976-1979 period. Looked at another way, maintaining the investment share of the late 1970's, which presumably was deemed appropriate to the federal economic development policies and initiatives to counter regional disparities, would have implied a 35% increase in federal investment spending in Manitoba over the latest reported information for 1982. It is also important to note that the apparent reductions in federal investment occurred during a period when Manitoba experienced one of the weakest economic performances among all provinces and faced increased competition from growth centres in other western provinces.

Unfortunately, the federal reductions have exacerbated a disturbing trend which was evident in the Manitoba economy in the late 1970's. From 1976 to 1978, growth in private investment in Manitoba ranked second to fourth

strongest among all provinces. Subsequently, growth in private investment spending declined to among the weakest among provinces. In the former period, rapid growth in private sector investment in Manitoba was accompanied by very limited growth in federal investment in the province, while nationally the more moderate increase in private investment was accompanied by somewhat stronger growth in federal spending. The Government of Manitoba views such a distribution of federal expenditures as desirable and appropriate to the circumstances. After 1978, however, there was virtually no growth in private investment in Manitoba while nationally private investment by 1982 had increased some 58%. Meanwhile, federal investment expenditures in Manitoba increased by approximately one-half of the 101% increase for Canada as a whole. Thus federal investment expenditures reinforced and accelerated a strong investment trend which was underway in Canada, but failed to provide the appropriate offsets and stimulus during the downturn in investment which was emerging in Manitoba.

Growth in Investment Expenditures (percentage increase)

		Private Sector	Federal Government
In Manitoba	1976-78	30.5	0.2
	1978-82	3.3	51.8
	1976-82	34.8	52.1
In Canada	1976-78	14.6	1.6
	1978-82	57.9	100.7
	1976-82	**81.0**	**103.9**

SOURCE: Statistics Canada, Private and Public Investment and unpublished detail

Based on this limited information, it appears incumbent on Ottawa to pay greater attention in its investment plans to assure that their success in alleviating regional disparities and exerting a positive developmental influence in Manitoba is maximized.

MANITOBA CAPITAL INVESTMENT PROPOSALS

In response to the federal invitation to submit proposals for investment projects which could be included in a national economic recovery program, Manitoba has compiled an initial list of some $2.8 billion in investment projects not already committed or budgetted. The magnitude of this initial compilation underscores the potential for a joint cooperative effort in Manitoba.

In general, the proposals fall into four categories:

- public infrastructure
- housing
- hydro-electric development
- industrial

with the greatest share of proposals in the public infrastructure category.

NEED FOR FEDERAL LEADERSHIP

While the worth of many of the projects is unquestionable, the unfortunate reality is that they are beyond the province's limited financial capacity. The same is undoubtedly true for virtually all the provinces, but even more so for the have-not provinces.

A prerequisite to their commencement is significant federal financial participation with contributions weighted to take into account local financial circumstances. A strong federal commitment would, in our view, serve as a catalyst to assure their early start-up. Federal loan guarantees could also be of assistance.

In the interests of facilitating appropriate planning for the commencement of projects which have the best balance of employment potential and useful improvement to the province's economic base, additional information on federal intentions is required. More specifically, information is needed on the magnitude of proposed federal funding, the criteria or conditions which Ottawa may apply to project selection, the regional allocation of federal funding, the extent of differential regionally sensitive cost-sharing and potential for loan guarantees.

In summary, Manitoba retains a keen interest in cooperating with the federal government in initiating major capital spending programs to stimulate jobs now and improve the economy over the longer term. We look forward to an early indication from the federal government as to its intentions. We are prepared to participate in whatever consultative forums Ottawa deems advisable to finalize arrangements and assure early commencement.

NATIONAL RECOVERY PROGRAM:
Manitoba Capital Project Proposals

A. PUBLIC INFRASTRUCTURE

Technical Education Facilities

Vocational Industrial Learning Centre at Cranberry Portage

Located 80 kilometres north of The Pas, Cranberry Portage is the location of a residential high school, the Frontier Collegiate Institute. The Institute occupies a former radar base and it is proposed to convert the existing "Hangar" Building into a Vocational Industrial Centre. A Vocational Industrial Program would allow students from 30 northern communities to participate in programs of power mechanics, building construction, hot metals, and heavy equipment repair.

The $1.6 million project would provide 800 work weeks of local employment to northern residents during the 12 month construction period and continuing employment upon completion. Once implemented, the Vocational Industrial Program would provide job training opportunities to northern residents.

South Winnipeg Vocational School

Currently without a vocational school, South Winnipeg is the proposed location for a cooperative project by the Assiniboine School Division No. 3, the Fort Garry School Division No. 5, and the St. Vital School Division No. 6. The $6 million Vocational School would provide 3,125 work weeks of employment to Winnipeg over two years.

Red River Community College — New Auto/Diesel Shop

The construction of a new Auto/Diesel Shop and conversion of the existing Auto/Diesel Shop to Metal Trades would reduce labour force bottlenecks and upgrade training capabilities in the transport maintenance and repair industry and in the high technology manufacturing trades. The $6.6 million project would generate 2,770 work weeks of employment over two years. In addition, provision of these training requirements would result in increased job opportunities for Manitobans and contribute to the longer term economic growth of the province.

Manitoba Fire College — New Training Facility

Locating adjacent to Assiniboine Community College in Brandon, a new Manitoba Fire College would: a) provide the only training facility for fire fighters or rescue personnel between southern Ontario and western Alberta; b) provide the only pre-employment fire service training facility anywhere west of southern Ontario; and c) provide the only training facilities in Manitoba, Saskatchewan or northwestern Ontario for practical training in emergency response to dangerous goods incidents. The $2.0 million project would provide 830 work weeks of employment to residents of Brandon.

Selkirk Mental Health Centre — Renovation and Upgrading

Built in 1920, the 129 bed psychiatric facility requires functional renovations, fire safety and mechanical systems upgrading, and architectural revisions to accommodate program requirements. An expenditure of $4.5 million on this project would generate 1,936 work weeks of employment for residents of the Interlake.

Adolescent Psychiatric Unit

A free standing facility located in proximity to the Health Sciences Centre in Winnipeg would provide an urgently required treatment facility for adolescent psychiatric patients in the province. The Government of Manitoba is concerned about the lack of adequate services of this nature and is committed to treatment within the province. A facility with 25 in-patient and day-patient areas, treatment and ancillary space is anticipated. The 18 month, $4 million project would provide 2,800 work weeks of employment.

Neepawa Hospital — Expansion and Renovation

Expansion and upgrading of the diagnostic and some treatment areas within the hospital would relieve program delivery problems identified by both the Manitoba Health Services Commission and the Department of Labour. The $1.7 million project could be completed within a year and would provide 1,200 work weeks of employment.

Steinbach Hospital — Expansion and Upgrading

The Steinbach Hospital urgently requires extensive expansion and upgrading of diagnostic and ambulatory space and upgrading of service and patient areas. The 18 month, $2.7 million project would generate 1,900 work weeks of employment.

Flin Flon Hospital — Improvements

A $1.75 million expenditure would allow for improvement and expansion to the diagnostic areas of the Flin Flon Hospital. Twelve hundred work weeks of employment would be generated in an area of the province hard hit by unemployment.

Red Cross Building — Expansion and Renovation

Extensive expansion and renovation of the Red Cross Building would alleviate critical overcrowding and improve the blood transfusion service of the Red Cross. An expenditure of some $3.9 million is proposed and would provide Winnipeggers with 2,800 work weeks of employment.

Reston Personal Care Home & Hospital

The Reston Hospital requires upgrading to meet the demands of the Fire Commissioner. At the same time, a 20-bed personal care home could be juxtaposed to the upgraded hospital. The $2.5 million project would provide 1,660 work weeks of employment in southwestern Manitoba.

Red River Pollution Control

Improvements to the City of Winnipeg's Three Pollution Control Centres

A high quality sewage treatment and disposal system is essential to the water quality of the Red River. A five-year plan, costing in excess of $70 million, to upgrade the three Pollution Control Centres involves an increase in treatment capacity of the secondary process; accommodating increasing sewage flows; maintaining effluent standards; and expanding and modifying the City's sludge handling and disposal systems.

City of Winnipeg Sewage Sludge Dewatering System

The environmental upgrading of Winnipeg's infrastructure will be enhanced by the development of an energy efficient sludge disposal system. Sludge, a by-product of the sewage treatment process, is generated in large volumes and a dewatering system capable of process flexibility is required. The two year, $9 million project would generate 5,500 work weeks of employment for Winnipeggers.

Sewer and Water System Improvements

City of Winnipeg

A five-year plan, costing in excess of $100 million, to upgrade and renew the sewer and water infrastructure would contribute significantly to the revitalization of older areas of Winnipeg. The plan includes water main renewals, land drainage and sanitary sewer renewals, landfill development, and flood pumping and life stations. The labour-intensive projects would provide much needed employment to Winnipeg's construction industry.

Rural Manitoba

Environmental standards of agricultural and mining communities throughout rural Manitoba could be enhanced through water and sewer upgrading and extensions and expansions to regional water supplies and water treatment plants. The Manitoba Water Services Board would provide special incentive grants, amounting to $25 million, to municipalities in order that projects urgently required for environmental, public health, industrial, or sociological reasons may proceed. Currently, municipalities are financially unable to undertake these projects.

Remote Communities

To improve the safety, health and living conditions of northern residents, a $5 million expansion of the sewer and water system in remote areas is proposed. Residents would be provided with safe potable water and sanitary liquid waste disposal. The project would provide some 3,750 work weeks of employment to local residents.

The Arts and Cultural

New Facility for the Royal Winnipeg Ballet Company and Professional School

During the past decade and the past year in particular, the Roval Winnipeg Ballet has been in search of a new facility. The Government of Manitoba has long recognized the Ballet's need to relocate the company and professional school. The Policy Committee of the Core Area Initiative has encouraged the Ballet to consider a location in central Winnipeg. The federal government has indicated a new Ballet facility would be a high priority for assistance should its Cultural Initiatives Program be extended. The Canada Council has also indicated support for a new facility.

Possible sites for the facility include vacant land between the Manitoba Theatre Centre and the Playhouse Theatre or the old Eaton's Warehouse Building near the Alexander Dock. Cost estimates range from $4 to $6 million and could involve some 4,300 to 11,000 work weeks of employment.

Heritage Buildings Fund

The development of cultural centres throughout the province and the preservation of significant historic buildings are important priorities of the Government of Manitoba. The creation of a $1 million Heritage Buildings Fund would provide for the renovation and rehabilitation of culturally significant and historic buildings located in Winnipeg and throughout rural and northern Manitoba. Projects would include Provincial Cultural Institutions such as the Le Centre Culturel Franco-Manitobain and the Ukrainian Cultural and Education Centre; Historic Buildings in Winnipeg, The Pas, Virden, Neepawa and Brandon; and Community Culture/Heritage Facilities such as libraries and museums in rural and northern Manitoba.

Brandon University Music Facility

Brandon University's School of Music is currently housed in an aging structure too small to accommodate adequately the needs of the School. An expenditure of $6 million ($2.9 million proposed federal share) would provide a facility appropriate to the needs of the School and thus maintain the School's international reputation for excellence in the preparation of both performing musicians and music educators. Brandon University offers the only graduate programs in music in Manitoba and is one of the few music graduate schools in western Canada. The 18 month construction project would generate 2,600 work weeks of employment to people in the Brandon area.

Athletic

University of Winnipeg — Acceleration and Expansion of Athletic Centre

While currently underway, an acceleration and expansion of the Athletic Centre would provide much needed athletic facilities both for the University of Winnipeg and the residents of the inner city. An increase in expenditure of $2.8 million is proposed and would create an additional 1,395 work weeks of employment.

Roads and Highways

Expenditures on the provincial road and highway system will: a) upgrade substandard northern roads and provide all-weather accesses to remote northern communities to ensure the orderly flow of goods and services; b) enhance the tourist trade by providing smoother and safer access to urban areas; and c) improve interprovincial trucking routes.

East Wekusko Road Development

Construction of an 11 mile, all-weather road will provide access to several undeveloped gold deposits in the Snow Lake area. Gold is one sector where new developments are feasible in an otherwise depressed mining industry. While the $1.8 million expenditure on road construction will result in 1,800 work weeks of employment for Northerners, a far greater impact on mining employment is anticipated.

Eastern Industrial Access to Brandon (4.5 miles)

An eastern industrial access to Brandon will provide for a safe, efficient flow of heavy traffic from the Trans Canada Highway. The four-year, $16 million project involves the grading and paving of a two-lane highway construction interchange at the Trans Canada Highway and the building of two bridges over a railway and the Assiniboine River. An anticipated 20,000 work weeks of direct employment will be generated in the Brandon area.

Sea Falls — Norway House on the Norway House Access Road

Clearing and drainage of the Pioneer Road is required to upgrade to an acceptable standard. The construction of an all-weather access will provide an orderly flow of goods and services to a remote community. An estimated $1.5 million will be expended over five months and provide 2,000 work weeks of direct employment.

Sandy River — Manigotagan (10 miles)

Grading and gravelling the existing Pioneer Road between Pine Falls and Manigotagan will upgrade the road to an acceptable standard and allow for the orderly flow of goods and services. The six-month, $2.3 million project will generate 2,840 work weeks of employment in a remote area of the north.

Trans Canada Highway Reconditioning

Reconditioning of the Trans Canada Highway east of PTH 13 to PTH 26 (13.4 miles) is required to provide a safe and smooth riding surface for the travelling public on the intercontinental transportation system. The $2.2 million project will entail 1,230 work weeks of employment.

Trans Canada Highway Twinning

Twinning of the Trans Canada Highway west of Alexander to east of Oak Lake (13.5 miles) will provide for the orderly flow of both tourist traffic and interprovincial trucking on a high density throughway. Residents of southwestern Manitoba will be provided with 2,958 work weeks of employment from the $5.1 million project.

Highway 10 Upgrading

Upgrading Highway 10 north of North Junction PR 268 to Bell River (12.6 miles) will provide a safer riding surface on the main access from southern Manitoba and northern Saskatchewan to the basic industries of northern Manitoba, and northern Saskatchewan — especially the mining and forest industries of Flin Flon and The Pas. The $2.7 million project will provide 1,400 work weeks of employment.

Highway 10 Upgrading

Upgrading of Highway 10 is also required from Mistik Creek to east of East Bakers Narrows (5.1 miles). The project proposes to replace a roadway that is inadequate, dangerous, and bears a heavy annual maintenance expense. The road is important for the trucking of concentrates to the Flin Flon smelter and for the transportation of raw forest products south to The Pas paper mill. The $3.5 million project would generate 2,660 work weeks of employment in northern Manitoba.

Yellowhead Highway Upgrading

The Yellowhead route is a federal priority for the transportation of goods and services to northern Saskatchewan and Alberta. Two segments of the highway require upgrading: a) an expenditure of $2.8 million is required to upgrade the asphalt surface from the Trans Canada Highway to south of PR 227 (8.7 miles) and will involve 1,350 work weeks of employment; and b) a $2.3 million paving project for the portion of the highway extending from the east boundary RM of Langford to the east junction PTH 5 (9.4 miles). This project would involve 2,700 work weeks of employment.

Highway 75 Twinning

Twinning of Highway 75 will relieve the traffic congestion prevalent south of Winnipeg on the main export/import route from central Canada to the markets of the mid-western states. The project involves two segments of the highway: a) a $3.8 million project generating 2,900 work weeks of employment and extending from the south limit of Winnipeg to PR 429 (4.7 miles); and b) a $1.7 million project providing 1,200 work weeks of employment and extending from PR 429 to south of PR 305 (9.0 miles).

Highway 100 (Trans Canada Highway) Reconditioning

The existing surface of the Trans Canada by-pass around Winnipeg is very rough and is used extensively by intercontinental transports. Reconditioning would alleviate considerable hardships to the travelling public. The $2 million project would provide 1,050 work weeks of employment.

Construction of Red River Bridge and Approaches in the Vicinity of Selkirk (5 miles)

Construction of a bridge over the Red River at Selkirk would provide a flood-free connection between PTH 9 and PTH 59, capable of carrying maximum load limits. The $13 million project would provide 16,000 work weeks of employment to residents of the Interlake over a four-year period.

Water Related and Flood Prevention

Peguis Reserve

Construction of a diversion channel is proposed to protect the Peguis Reserve from flooding from the Fisher River. The $14.4 million project will occur over three years and generate 10,909 work weeks of employment.

Carman Diversion

Construction of a diversion channel is proposed to protect the Town of Carman from the flood waters of the Boine River. The three-year, $7 million project will generate 5,303 work weeks of employment.

Lake Dauphin Rehabilitation

A $3 million channel eniargement project would improve outlet capacity of Lake Dauphin and thereby reduce the flood stage on the lake. Some 2,273 work weeks of employment would be generated over the two-year duration of the project.

Breakwater at Easterville

Some 18 years ago when the Grand Rapids Forebay was put into operation, Manitoba Hydro provided a dock and harbour at Cedar Lake as a compensating measure to the Chemawawin Band. Little or no maintenance has been made on the facilities since that time. The harbour and dock facilities are ar. important community service, particularly to the commercial fishermen in Easterville. Treaty and non-Indian people use the facility. Both upgrading of the dock is required and cleaning up of debris in the harbour. The $200,000 project is 60% labour-intensive and would entail local milling of the materials used in renovating the breakwater.

Gimli Harbour Protection and Expansion

Protection and expansion of the Gimli Harbour would involve the extension of existing, or provision, of a new breakwater and a reconstruction of a wharf inside the harbour. The $1.5 million project will provide: a) protection in existing harbour from excessive agitation due to southern gales; and b) provide safe shelter for fishing vessels, tourist craft, barges, and the cruise boat Lord Selkirk.

Facility Maintenance, Rehabilitation or New

New Winnipeg Remand Centre

A new Remand Centre is urgently required and could be logically located adjacent to the new Court House soon to be constructed. A new centre would: a) improve accommodation for Winnipeg remands; b) remove remanded inmates from Headingley; c) resolve overcrowding at Headingley Jail and the present Winnipeg Remand Centre; and d) free space in the Public Safety Building required for Winnipeg Police Headquarters. A new facility would cost about $14 million.

St. Boniface College

Various components of the heating, air-conditioning and ventilation systems at St. Boniface College require repair, overhaul or replacement. A $1.5 million project is proposed to replace most of the existing system with a more efficient system in terms of operating and maintenance costs. The project is expected to generate 780 work weeks of employment.

New Materials Testing and Research Laboratory

Research and testing programs of the Departments of Highways and Natural Resources are currently located in overcrowded and obsolete facilities. The building would be demolished upon vacancy. Construction of a new $2.2 million laboratory and office building in Winnipeg is proposed. The project would create 900 work weeks of employment in the hard hit construction industry and could also contribute to the province's participation in the redevelopment of the Winnipeg core area.

City of Winnipeg Firefighting Improvements

A five-year plan, costing in excess of $10 million, is proposed to improve the City of Winnipeg's firefighting capability. The plan involves replacement and expansion of fire halls and improving fire water flows and water main fire protection. The project would create a considerable number of jobs for Winnipeggers during the construction phase and would have a positive impact over the longer term on the urban environment.

Alcoholism Foundation of Manitoba

AFM facilities in Brandon, Thompson, Winnipeg and Ste. Rose du Lac urgently require renovations amounting to $325,000. An estimated $1.45 million is also required for construction of two new facilities to replace and combine various AFM structures in Winnipeg and Brandon.

B. HOUSING

Manitoba Housing and Renewal Corporation: Rental Housing Renovations/Conversion Program

Acquisition, renovation, and conversion of older multiple unit residential buildings would address the problem of declining rental stock in Manitoba's urban centres. While CMHC emphasis is on new construction in the provision of rental housing, a rehabilitation program would be more labour intensive and would refurbish much of the province's old housing stock. It is proposed that the province provide $7.5 million for acquisition of buildings and the federal government provide $10 million for the renovation/conversion costs. The $17.5 million program would provide for the purchase of some 500 units over a three-year period and generate 39,000 work weeks of employment in Manitoba's urban centres.

C. HYDRO

Trans Canada Pipeline Electrification

In March 1981, Trans Canada Pipelines approached Manitoba Hydro regarding extension of electrical service to replace gas turbines at the compressor stations at Edwin, Ile des Chenes and Falcon Lake. Design on the project was begun but subsequently discontinued in October 1982, due to a change in the economics of the project. Resumption of the $6 million project would provide fuel savings through the replacement of older turbines and increase the future pumping capacity.

Electrification of Indian Communities in Cross Lake Area

Diesel generating facilities in the native communities of the Berens River area have been replaced by transmission line tie-ins to the Manitoba Hydro Grid. The first of these communities will come onstream during 1983.

In 1980, a $39.3 million program was planned to extend the electrification program to communities in the Cross Lake area. The program was to be a federal/provincial cost-shared project under the National Energy Program. However, federal funding for the additional projects was cancelled in 1980 and the plans were shelved.

Resumption of the project would involve the communities of Garden Hill, Oxford House, Gods Lake Narrows and Cross Lake. Potential benefits include: a) clearing of the rights-of-way using labour from the communities over a five-year period; b) dispening with the need to truck in expensive diesel fuel in the winter; and c) lower cost, more stable power provided to the residents.

Manitoba Hydro Extension to the Port of Churchill

Currently, electrical energy for lighting and heating in Churchill is provided by diesel generators. A hydro extension from Radisson (near Gillam) to the Port of Churchill would: a) provide Churchill consumers with a more reliable source of power without a service limit; b) provide power at a much lower cost; and c) increase the attractiveness of Churchill to new businesses and government agencies and thus, promote economic growth in the region. The $29.6 million project would generate some 2,264 work weeks of employment for northern Manitobans.

D. INDUSTRIAL

Technological

National Research Council Institute for Manufacturing Science and Production Technology

In 1980, the National Research Council approved in principle the establishment of a National Institute for Manufacturing and Production Technology in Winnipeg. The purpose of the Institute is to improve Canadian manufacturing processes, productivity and competitiveness through the application of science and technology. The national laboratory would establish strong linkages with provincial research councils which, in turn, would develop and disseminate the technologies in all provinces. Location of the facility in Winnipeg's core area would allow integration with other industrial and technical training activities. In addition to the construction jobs generated by the $31 million capital expenditure, the NRC laboratory would provide 125 permanent jobs.

Optical Glass Fibre Manufacturing Plant

It is proposed to expand an existing Winnipeg plant into the production of optical glass fibre for telecommunication and other markets in Canada and world wide. The $7.25 million project ($4.35 million proposed federal share) would generate a number of construction jobs in addition to some 67 permanent jobs.

Transportation

Upgrading of the Hudson Bay Rail Line from The Pas to Churchill

Installation of heat pipes along the HBR Railway from The Pas to Churchill is proposed to curb the permafrost thaw. Approximately half of the line traverses permafrost terrain and track settlement occurs during thawing causing long-term maintenance problems. Resolution of the permafrost problems would: a) secure a federal government five-year, $30 million investment in the line; b) expand opportunities for the Port of Churchill and the Hudson Bay route; c) allow the

marketing of the prototype technology to other countries experiencing similar problems; d) lead to a standardized grain car fleet resulting in s.. ings to the federal government, the railways, the grain companies and the entire grain handling and transportation system; and e) result in the expansion of the capability of the Hudson Bay route which would assist in eliminating congestion problems anticipated for main line rail operations, other grain ports, and the Welland Canal. The prototype development will cost in the neighborhood of $15 million, will provide short-term employment opportunities in the far north, and secure about 120 rail and port-related jobs.

Railroad Rolling Stock Manufacturing Facility

A new facility to produce energy efficient freight cars for Canadian and export markets could be located at Selkirk, Gimli, The Pas or Thompson. Capital cost of the new facility would be about $25 million and would provide 250 ongoing jobs.

Rail Boxcar Rehabilitation Program

A program to rehabilitate rail boxcars is urgently required if a shortfall in boxcar capacity is to be avoided. A rehabilitation program could locate at CNR's Transcona shops and CPR's Weston shops in Winnipeg to provide urgently required work for railway shop craft employees. The program would: a) eliminate existing and potential bottlenecks in the grain handling and transportation system; b) prevent the loss of export market opportunities for producers; c) help to guarantee continuity of service on branch lines; d) maintain commitments to the Port of Churchill; e) and promote employment within the rail sector in Manitoba. The two-year, $60 million project would generate 33,800 work weeks of much needed employment.

Demonstration of Trolley Bus Technology

A demonstration project of trolley bus technology would, among other things: a) conduct tests, demonstrations, and research and development on existing and electric trolley systems and sub-systems; b) install the infrastructure for a passenger carrying trolley bus route in Winnipeg to demonstrate vehicles in an operational context; c) strengthen the ability of Canada to compete in world markets for rubber tired transit vehicles; and d) develop and strengthen the provincial transport equipment manufacturing sector and increase the quality and number of employment opportunities. The five-year, $15 million project will provide immediate employment opportunities in the construction industry. Significant economic development impacts will occur over the longer term through the stimulation of manufacturing employment.

Forestry

Manfor Sawmill Modernization at The Pas

A $9 million capital investment to modernize the Manfor sawmill would increase the efficiency of production and result in the development of a new product line and the potential to penetrate new markets. The modernization could tie in with possible expansion of the pulp mill, but it is not necessary for the two to occur together. The outstanding issue of counterveiling duty on lumber into the U.S. may affect the economics of modernizing the sawmill.

Manfor Pulp and Paper Mill Modernization

A $31 million capital investment to modernize the Manfor pulp and paper mill is the minimal expenditure required if the company is to continue to operate over the next five to seven years. The same product lines would continue to be produced. The expenditure would result in 200 jobs during the peak construction phase.

Manfor Pulp and Paper Mill Expansion

A $400 million capital investment in the Manfor pulp and paper mill would provide for a major expansion into new products and new markets. The expansion would occur over a three-year period and provide 1,000 jobs at peak construction.

Nursery Expansion and Development at Pineland (Hadashville) and Clearwater (The Pas)

A three-year, $4.4 million nursery expansion and development project would increase provincial timber supplies and thus ensure long-term employment opportunities in the forest industry. An estimated 4,438 work weeks of employment is anticipated over the life of the project.

Forest Access Roads

The construction of forest access roads at various sites in northern Manitoba will provide: a) access to commercially important forest stands; b) access to remote and isolated communities; and c) employment in the road construction and in subsequent harvesting of the timber. The $4.1 million construction project would last for three years and generate 3,312 work weeks of employment in northern Manitoba.

Forest Renewal: Planting and Seeding

A three-year, $5.4 million forest renewal plan would increase timber supplies through the establishment, by mechanical and manual methods, of new forest crops on harvested and burned over land. The project would involve various sites in northern Manitoba and generate 7,050 work weeks of employment.

Forest Stand Management

A three-year, $6.7 million project to increase timber supplies by thinning densely stocked timber stands would generate 10,730 work weeks of employment. The project would take place in northern Manitoba in the vicinity of small, remote forest based communities.

Dutch Elm Disease Control

Preservation of elm trees is an important provincial objective. It is proposed to expand the current program involving buffering and clean-up around southern Manitoba communities and cities having large numbers of elm trees (Winnipeg, Brandon, Dauphin and other smaller communities). The three-year, $6.4 million project would generate 10,200 work weeks of employment.

Business-Related

New Building for the Faculty of Administrative Studies of the University of Manitoba

The Faculty of Administrative Studies is currently housed in a building with severe space limitations. Over 700 of the 1,300 academically qualified applicants are refused admission due to lack of space. A new building, costing $11.3 million, would provide a much needed, expanded facility. Student enrolment could be increased to meet current demand and the professional development program could be expanded in support of business and industrial development. The two-year construction program will generate 8,120 work weeks of employment for Manitobans.

Venture Tours — Hecla Island Hotel Expansion

A $3.5 million, 30-room addition is proposed for the Hecla Island Hotel. The addition would increase the flow of tourist traffic to the Hecla Island resort area. The labour-intensive project would also create new jobs upon completion.

Glass Recycling Project

At the present time, there is one glass collection depot in the province in Winnipeg. Glass is then forwarded to Moose Jaw for processing. It is proposed to establish additional depots at Winnipeg, Brandon and Thompson in an effort to attract the establishment of a processing plant in Winnipeg. The availability of glass collection depots may also entice a major plant to locate in Manitoba to utilize this raw material. Establishing glass collection depots would also promote the recycling of materials. Costing less than $1 million, the new depots would create 33 permanent jobs.

Acceleration of Main Street Manitoba Program

A $1.5 million acceleration of the Main Street Manitoba program would generate 3,863 work weeks of employment throughout the province, excluding the City of Winnipeg. The program stimulates and revitalizes business communities suffering slow economic growth and low level business activity. Financial assistance is provided for store-front renovations to businesses located in main business districts and to municipalities for improvements to public areas in these same business districts.

POOR

QUALITY

ORIGINAL